



Residential Real Estate Market Snapshot Report

June 2025

National Association of REALTORS®
Research Group



NATIONAL
ASSOCIATION OF
REALTORS®

Overview

The Housing Market in April 2025

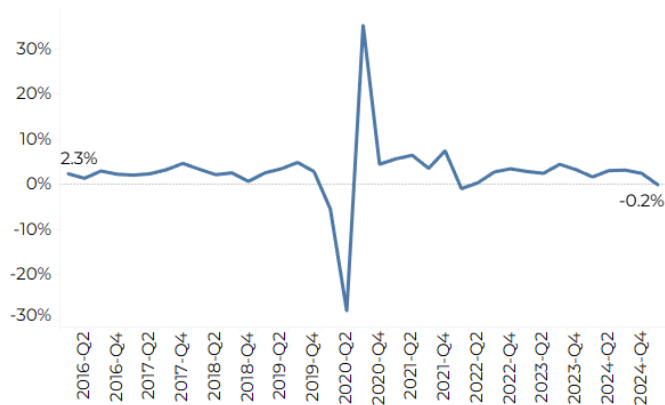
The second quarter of 2025 started with some good news about the economy. Despite the Federal Reserve's forecast for faster consumer price growth and slower economic growth, the April inflation rate moved closer to the Fed's target rate of 2%. The primary component keeping inflation high is shelter (housing) costs, which comprise one-third of the budget. Getting shelter costs under control is the key to calming overall inflation and decreasing mortgage rates.

From an economic perspective, the labor market remains strong. The combination of job additions, an unchanged unemployment rate, and consistent wage growth outpacing inflation is providing stable income to sustain consumer spending. However, economic uncertainty is causing home buyers to hesitate.

Both existing-home sales and pending sales slowed down in April. While mortgage rates remained high, buyers' negotiating power increased due to improved inventory. The market indicators are signaling that activity will improve in the summer months. The MBA Index increased, suggesting that demand and contract activity may rise in the upcoming weeks. Moreover, rising listings and housing starts are pointing to an improvement in the number of homes available on the market. Nevertheless, the consistent issuance of building permits and construction activity is necessary for supply to match demand.

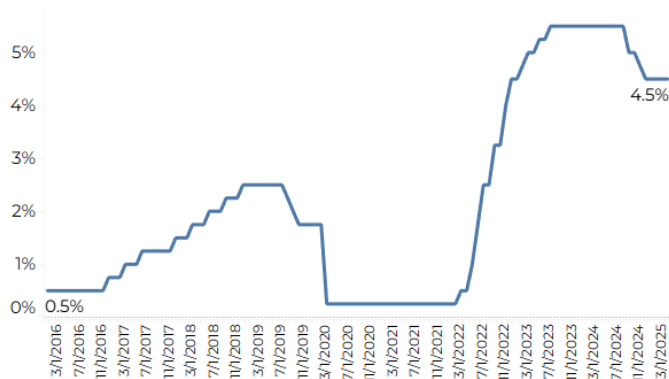
Economic Activity

Gross Domestic Product



Source: U.S. Bureau of Economic Analysis

Interest Rates



Effective Federal Funds Rate, Upper Limit
Source: Federal Reserve Board

Q1 2025: **-0.2%**

Q4 2024: **2.3%**

Q1 2024: **1.6%**

According to the second estimate from the Bureau of Economic Analysis (BEA), the real gross domestic product (GDP) decreased 0.2% in the first quarter of 2025. The decline in real GDP largely reflected an increase in imports, which are a subtraction in the calculation of GDP, and a decrease in government spending. However, these movements were partly offset by increasing investment, consumer spending, and exports.

April 2025: **4.5%**

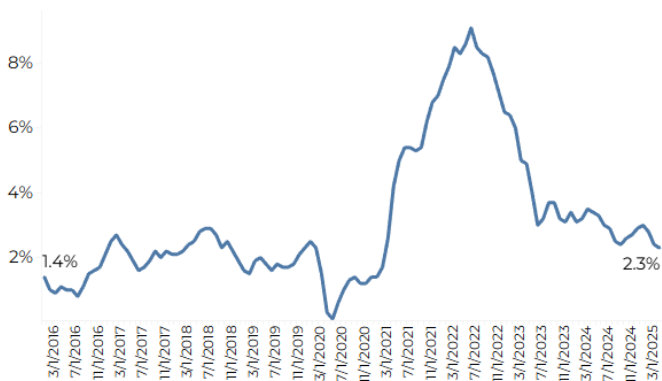
March 2025: **4.5%**

April 2024: **5.5%**

In April 2025, the upper limit of the Federal Funds Rate remained at 4.5%. Although the Federal Reserve began cutting the short-term rate in September of 2024, inflation continued to rise above its target. Consequently, the Fed announced that it would maintain a rate range of 4.25%-4.50% until inflation decreases.

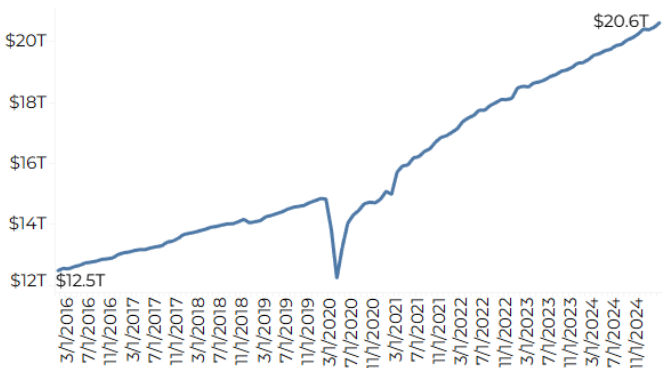
Economic Activity

Inflation



CPI Year/Year Percent Change, Seasonally Adjusted
Source: U.S. Bureau of Labor Statistics

Consumer Spending



Personal Consumption Expenditures, Seasonally Adjusted
Source: U.S. Bureau of Economic Analysis

April 2025: **2.3%**

March 2025: **2.4%**

April 2024: **3.4%**

In April, the Consumer Price Index (CPI) for all items over the last 12 months rose 2.3%, the lowest rise in about four years. Month-to-month, CPI rose 0.2%, after falling 0.1% in March. The index for shelter (housing) rose 0.3%, accounting for more than half of the all-items monthly increase.

April 2025: **\$20.6 trillion**

March 2025: **\$20.7 trillion**

April 2024: **\$19.6 trillion**

Personal consumption expenditures increased 0.2% in April. The \$47.8 billion increase in current-dollar spending reflected a rise of \$55.8 billion in spending on services, which was partly offset by a decrease of \$8.0 billion in spending on goods. The largest increases were in housing and utilities (\$24.7 billion), healthcare, food services, and gasoline and other energy goods.

Economic Activity

10-Year Treasury Yield



Percent

Source: U.S. Treasury

April 2025: **4.28%**

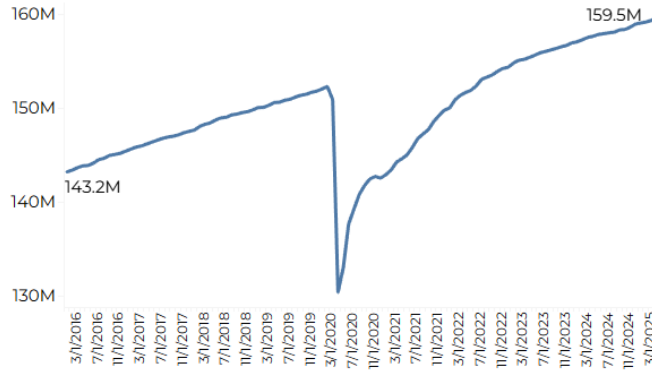
March 2025: **4.28%**

April 2024: **4.54%**

The 10-year Treasury rate remained essentially unchanged in April, hovering around 4.28%. Its direction for the rest of the year will largely depend on developments in global trade and shifting expectations about the broader economy.

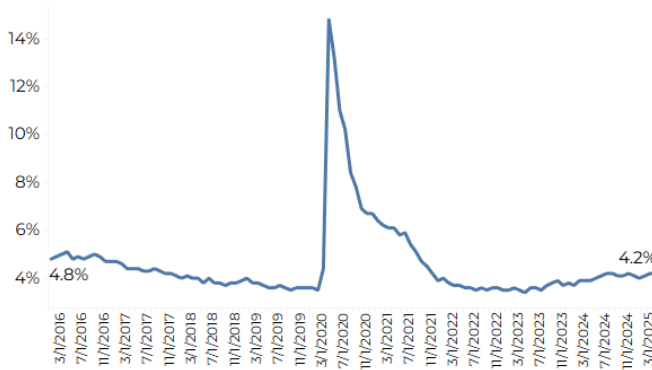
Employment Situation

Employment



Payroll Employment, Seasonally Adjusted
Source: U.S. Bureau of Labor Statistics

Unemployment



Unemployment Rate, Seasonally Adjusted
Source: U.S. Bureau of Labor Statistics

April 2025: **159.5 million**
March 2025: **159.4 million**
April 2024: **157.6 million**

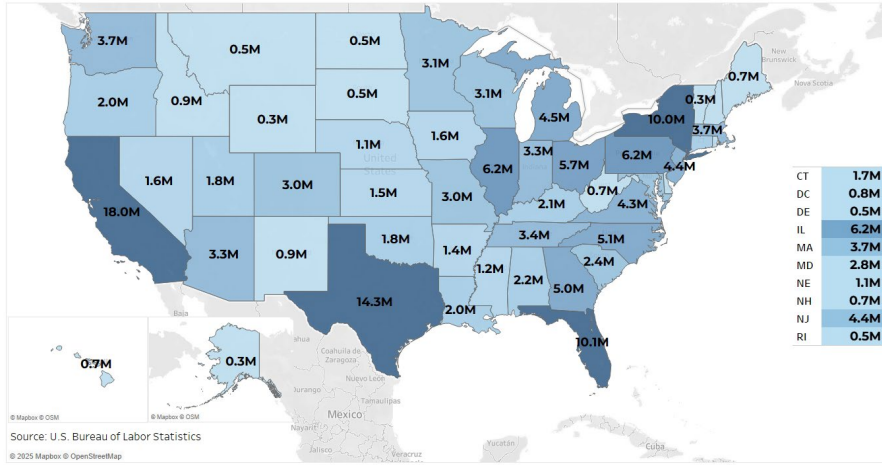
In April, 177,000 jobs were added to the U.S. labor market, roughly in line with the average monthly gain of 152,000 over the prior 12 months. Jobs continue to trend upward in healthcare, transportation and warehousing, financial activities, and social assistance. Within the Federal government, 9,000 jobs were reduced, while the real estate industry added 10,000 jobs.

April 2025: **4.2%**
March 2025: **4.2%**
April 2024: **3.9%**

The unemployment rate was unchanged at 4.2%, and the number of unemployed people, at 7.2 million, changed little compared to March (7.1 million). The unemployment rate has hovered around 4.0% to 4.2% since May 2024.

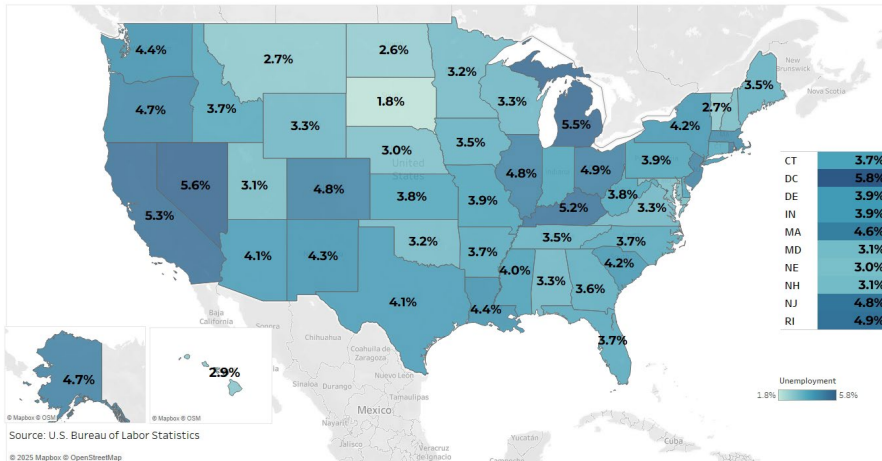
Employment Situation

State Employment April 2025



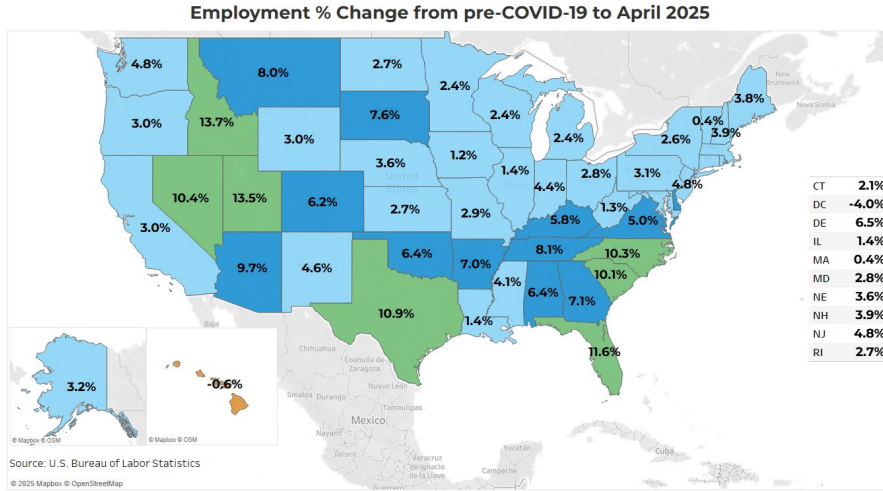
In April 2025, nonfarm payroll employment increased in five states and remained essentially unchanged in the remaining 45 states and the District of Columbia. Texas recorded the largest month-to-month job gains, adding 37,700 jobs, which resulted in a total of 14.3 million jobs. It was followed by Ohio (+22,200), North Carolina (+18,100), Arizona (+14,200), and Connecticut (+6,900).

Unemployment as of April 2025



As of April 2025, the average U.S. unemployment rate was 4.2%. Only 19 states had unemployment rates lower than the average, while 6 states and the District of Columbia had rates higher than the national rate. The lowest rate was 1.8% in South Dakota. In contrast, the District of Columbia continued to have the highest jobless rate, at 5.8%, followed by Nevada at 5.6%. Massachusetts and D.C. saw a 0.2% increase in their jobless rates, while Iowa and Virginia experienced a 0.1% increase. Conversely, only Indiana (-0.2%) and Nevada (-0.1%) recorded a decrease in the rate in April.

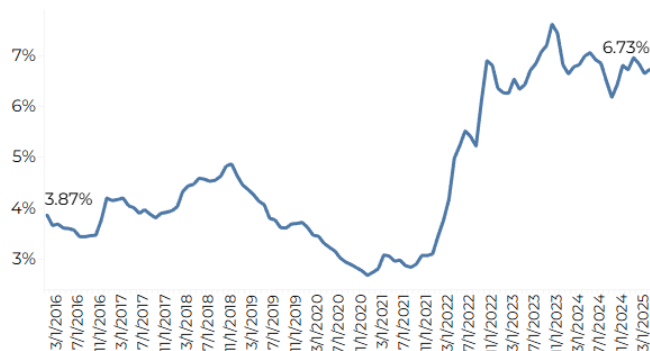
Employment Situation



Between April 2020 and April 2025, Idaho (13.7%), Utah (13.5%), Florida (11.6%), Texas (10.9%), Nevada (10.4%), North Carolina (10.3%), and South Carolina (10.1%) experienced the largest gains in employment. Concurrently, the smallest gains were seen in Massachusetts (0.4%) and Vermont (0.4%). Similar to March, the District of Columbia (-4.0%) and Hawaii (-0.6%) still haven't recovered the jobs they lost during the pandemic, with employment levels remaining below those of March 2020.

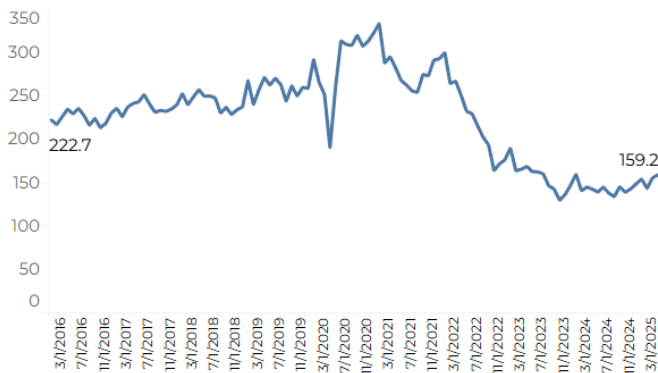
Housing Market

Mortgage Rates



30-Year Fixed Mortgage Rate, Monthly Averages
Source: Federal Home Loan Mortgage Corporation

Mortgage Purchase Index



MBA Purchase Index, Monthly Averages
Source: Mortgage Bankers Association of America, Haver Analytics

April 2025: **6.73%**
March 2025: **6.75%**
April 2024: **6.99%**

Mortgage rates decreased to 6.73% at the end of April, down from 6.75% in the previous month, and continued to trend significantly below the historical average of 7.7% since 1971. In March, the 30-year fixed mortgage rate was at its lowest level since December 2024.

April 2025: **159.2**
March 2025: **155.8**
April 2024: **142.5**

The Purchase Index, which measures mortgage applications for single-family home purchases and leads home sales by four to six weeks, increased further to an average of 159.2 in April. The increase suggests that we will begin to see stronger demand for housing as the market transitions to summer. However, it's still lower than the historical average of 247.6 between 1990 and 2024.

Housing Market

Existing Home Sales



Annualized

Source: National Association of REALTORS®

Pending Home Sales



PHS Index, Seasonally Adjusted

Source: National Association of REALTORS®

April 2025: **4.00 million**

March 2025: **4.02 million**

April 2024: **4.08 million**

Existing-home sales in April decreased by 0.5% to 4 million. This represents a 2.0% decrease from the rate of sales one year ago. Sales decreased in the Northeast and West, grew in the Midwest, and were unchanged in the South. Year-over-year, sales declined in all regions except for the Northeast, where sales remained steady.

April 2025: **71.3**

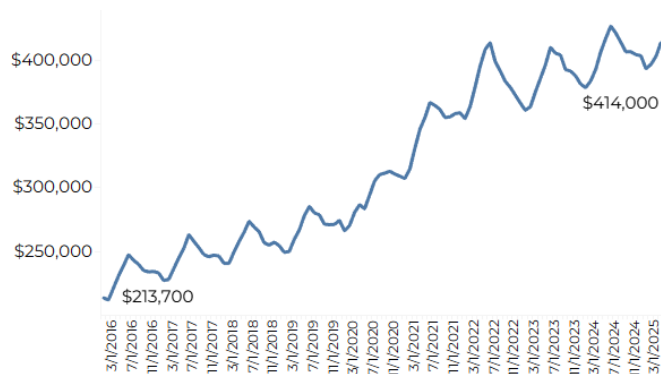
March 2025: **76.5**

April 2024: **73.1**

In April, pending home sales decreased by 6.3% from the previous month. Contract signing activity fell in all four U.S. regions compared to March. Year-over-year, pending sales increased in the Midwest but decreased in the other three regions, with the largest decline occurring in the West, followed by the South.

Housing Market

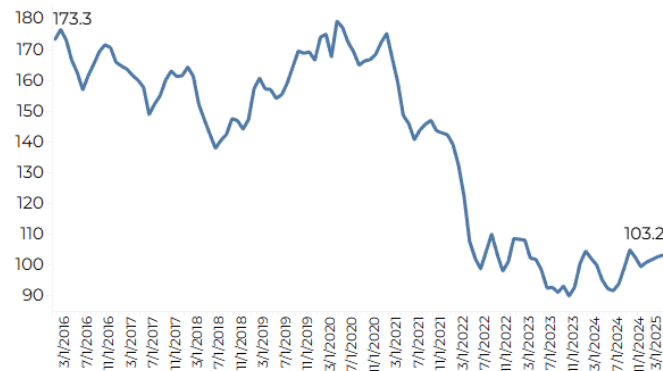
Median Sales Price



Existing Single-Family Homes

Source: National Association of REALTORS®

Housing Affordability



HAI Index, Seasonally Adjusted

Source: National Association of REALTORS®

April 2025: **\$414,000**

March 2025: **\$403,700**

April 2024: **\$406,600**

The national median existing-home price for all housing types increased by 1.8% from April 2024 to \$414,000, marking the 22nd consecutive month of year-over-year price gains. Across the country, the median price increased in the Northeast and Midwest but decreased in the South and the West regions.

March 2025: **103.2**

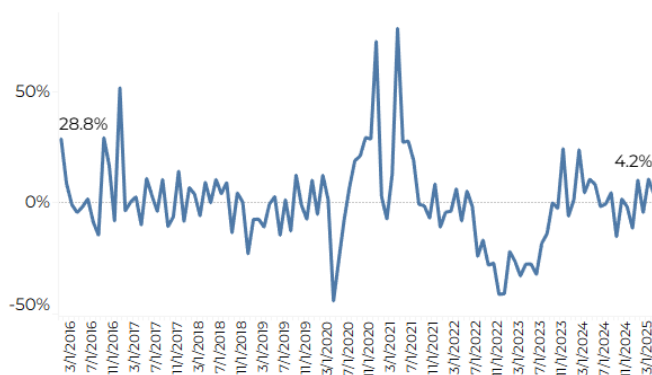
February 2025: **108.1**

March 2024: **102.2**

In March, the Housing Affordability Index reached a value of 103.2. An index above 100 indicates that the typical family earns enough income to qualify for a median-priced home purchase across the country.

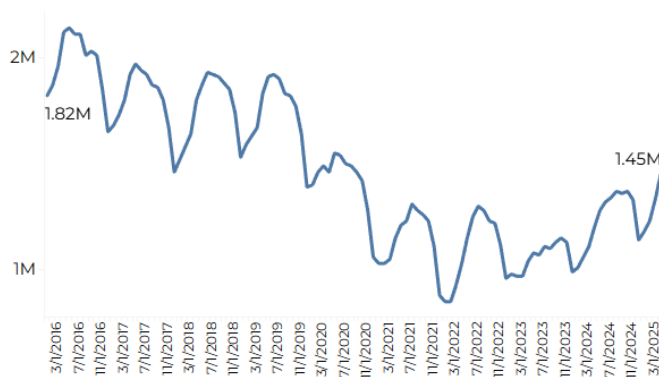
Housing Market

New Listings



Year/Year Percent Change in New Listings
Source: National Association of REALTORS®

Inventory



Total Existing Home Sales Available for Sale, Unadjusted
Source: National Association of REALTORS®

April 2025: **+4.2%**
March 2025: **+10.7%**
April 2024: **+10.6%**

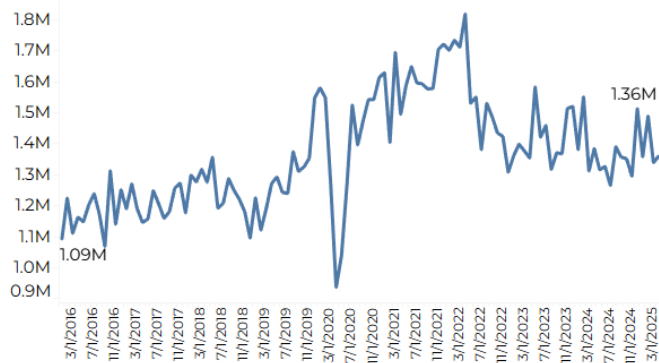
In April, new listings experienced a year-over-year increase of 4.2%, following a 10.7% rise in March. This was a modest increase compared to one year ago, when the number of listings increased by 10.6%. Listings are expected to continue to increase as market activity picks up in the summer months.

April 2025: **1.45 million**
March 2025: **1.33 million**
April 2024: **1.20 million**

April's inventory of unsold listings was 1.45 million units, up 9.0% from March and 20.8% from one year ago. The current unsold inventory is equivalent to a 4.4-month supply at the current sales pace, up from 4.0 months in March and 3.5 months in April 2024. Historically, a 6-month supply is associated with moderate price increases.

New Residential Construction

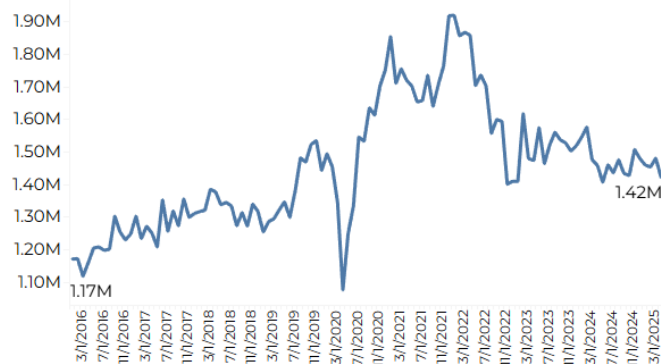
Housing Starts



April 2025: **1.36 million**
March 2025: **1.32 million**
April 2024: **1.38 million**

In April, privately owned housing starts increased to a seasonally adjusted annual rate of 1.36 million. This increase is 1.6% above the revised March 2025 estimate but 1.7% below the April 2024 rate. Single-family housing starts were at a rate of 972,000 that month, up 2.1% from the previous month.

Building Permits

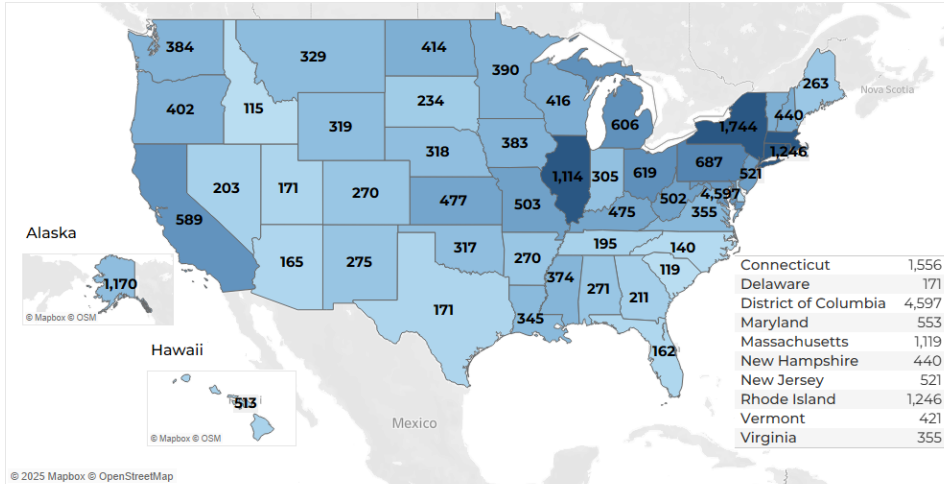


April 2025: **1.42 million**
March 2025: **1.47 million**
April 2024: **1.46 million**

Respectively, another measure of housing construction, building permits issued, decreased to 1.42 million in March. The decrease was 4.7% below the revised March 2025 estimate and 3.2 below the April 2024 rate. Single-family permits were at a rate of 922,000, down 5.1% from March.

New Residential Construction

Population Per Single-Family Building Permit by State
April 2025

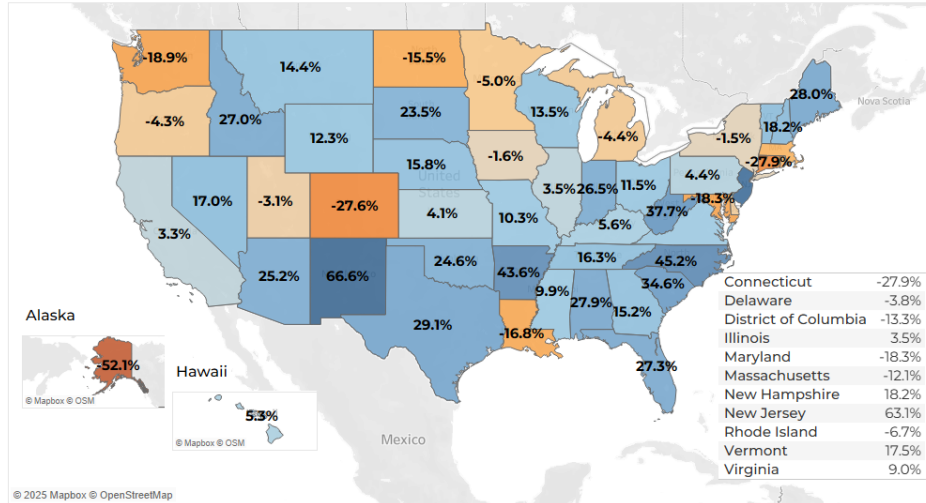


* The ratio is calculated by dividing the number of a state's population by the number of single-family building permits issued in the state within one year.
Source: U.S. Census Bureau, NAR Calculations

In April, Idaho continued to lead as the state with the highest number of permits issued per resident, with one permit issued per 115 residents. Similar to the prior month, Idaho was followed by South Carolina (119), North Carolina (140), Florida (162), and Arizona (165). The District of Columbia still had the lowest number of building authorizations, with one permit per 4,597 residents. D.C. was followed by New York (1,744), Connecticut (1,556), Rhode Island (1,246), and Alaska (1,170).

New Residential Construction

State Percentage Change of Single-Family Building Permits
Between Pre-COVID and April 2025



Source: U.S. Census Bureau, NAR Calculations

New Mexico continued to lead as the state with the largest increase in single-family permits issued over a 12-month period since 2019. Between April 2019 and April 2025, the state increased the number of building authorizations by 66.6%, just slightly lower than the previous month (67.7%). In contrast, Alaska continued to experience the largest decrease in permits, with a 52.1% drop from the pre-pandemic period, a slight improvement from the previous month.

About the National Association of REALTORS®

As America's largest trade association, the National Association of REALTORS® is involved in all aspects of residential and commercial real estate.

The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of NAR and subscribes to its strict [Code of Ethics](#).

For free consumer guides about navigating the homebuying and selling transaction processes – from written buyer agreements to negotiating compensation – visit [facts.realtor](#).

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The mission of the National Association of REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

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